

SEPTEMBER 14, 2001 EXCERPT

BYLAWS

OF

RTO WEST

(a Washington nonprofit corporation)

ARTICLE V

TRUSTEES SELECTION COMMITTEE

Section 1. Powers and Rights of Committee Members. The Corporation shall have a Trustees Selection Committee which, subject to these bylaws and applicable law, shall have the following rights and powers:

- (a) the exclusive right and power to (i) elect members of the Board of Trustees pursuant to Section 3 of Article VI and (ii) remove any Trustee without cause pursuant to Section 6 of Article VI; ~~and~~
- (b) the nonexclusive right and power to remove any Trustee for cause pursuant to Section 6 of Article VI; ~~and~~ and
- (c) the exclusive right and power to elect members of the RTO West Arbitration Committee.

ARTICLE VII

COMMITTEES OF THE BOARD OF TRUSTEES; BOARD ADVISORY COMMITTEE

[Note – this provision may not logically belong in Article VII any more]

Section 5. ~~ADR-RTO West Arbitration~~ Committee. The ~~Board of Trustees~~ Selection Committee shall ~~appoint an advisory~~ elect the members of a committee called the ~~ADR RTO West Arbitration~~ Committee. The RTO West Arbitration Committee shall monitor and oversee compliance with the provisions of Section 6 of Article XI (Alternative Dispute Resolution), as well as carry out any other functions designated for it in Section 6 of Article XI or in any other RTO West documents. The RTO West Arbitration Committee shall consist of three members, each of whom shall serve three-year terms (except for initial terms that may be modified as needed to stagger members' terms). The terms of the RTO West Arbitration Committee members shall be staggered, with the initial members' terms (one to be one year, one to be two years, and one to be three years) determined by lot. After electing three initial members, the Trustee Selection Committee shall elect one member of the RTO West Arbitration Committee each year to fill the position of the member whose term is expiring. The Trustee Selection Committee shall endeavor, over the course of continuing RTO West Arbitration Committee terms, to provide for representation on the RTO West Arbitration Committee that is balanced and reflects the Member Classes and stakeholder interests affected by RTO West activities.

~~which will monitor and oversee compliance with the provisions of Section 6 of Article XI (Alternative Dispute Resolution).~~

ARTICLE XI

MISCELLANEOUS

Section 6. Alternative Dispute Resolution.

- (a) Disagreements arising under these Bylaws shall be resolved in accordance with the alternative dispute resolution process described in Exhibit C.
- (b) Contracts and agreements to which the Corporation is a party shall, to the extent practicable, reasonable and permitted by law, include a requirement to resolve disagreements in accordance with the alternative dispute resolution process described in Exhibit C hereto, or other FERC-approved alternative dispute resolution procedures
- (c) *[NOTE: If we decide to adopt tariff ADR for RTO West Bylaws and TOA, add language providing that RTO West will propose Tariff ADR provisions consistent with Bylaws ADR and that intent is to have consistent process across all RTO West documents]*